MINUTES OF MEETING

OF

LOUISIANA REAL ESTATE COMMISSION

May 21, 2020

The Louisiana Real Estate Commission held its regular meeting on Thursday, May 21, 2020, at 10 a.m., via Zoom teleconference at 9071 Interline Ave, Baton Rouge, Louisiana, according to regular call, of which all members of the Commission were duly notified, at which meeting the following members were present:

COMMITTEE

Patrick Roberts, Jr., Chairman Lacy Baaheth, Vice Chairman Matt Ritchie, Secretary Jeff Donnes Paula Duncan Jeff Free **Eloise Gauthier** Rodney Greenup Deanna Norman Richman Reinauer **Evelyn Wolford**

STAFF

Bruce Unangst, Executive Director **Arlene Edwards** Summer Mire Ryan Shaw Damien Smart Jenny Yu Mark Gremillion **Debbie DeFrates Dusty Evans** Tom Devillier Nikki Senegal Malissa Fowler

GUESTS

Telly Hollis

Kim Callaway Roy Ponthier Amy Fennell **Brent Lancaster**

MINUTES

Commissioner Gauthier made motion, seconded by Commissioner Norman, to approve the minutes of the meeting of February 20, 2020. Motion passed without opposition.

(Attachment A)

COMMITTEE REPORTS:

1. Budget – Commissioner Free reviewed the budget report with the Commissioners. He stated that the year to date comparison to current shows a decrease in ~\$7,500 due to a decrease in new applications. He stated that expenses are up ~\$85,000 due to salary and retirement increases as well as computer upgrades. He stated that the cash balance is in a good place. He stated that licensee count is the highest it has been since June 2008. He stated that the overall budget has a surplus and is in good shape.

(Attachment B)

2. Education/Research/Publication – Commissioner Gauthier stated that the Request for Proposal was sent out and the deadline was extended twice. She stated that the only response received was nearly double the price of what we normally pay. She stated that she reached out to the company and they are going to modify their proposal and resubmit.

Commissioner Gauthier made motion, seconded by Commissioner Wolford, to re-open the RFP submission date to June 12, 2020 to allow for more submissions.

Commissioner Ritchie asked what the quoted price included. Commissioner Gauthier stated that it was for the development of the instructor manual, the student manual, and the classroom materials.

Commissioner Ritchie stated that he would be willing to devote some time to reworking the RFP. Commissioner Gauthier stated that there is not really enough time to change the RFP requirements at this point.

After discussion, motion carried without opposition.

Commissioner Gauthier asked Commissioner Ritchie to offer his opinion on a property management specific course. Commissioner Ritchie made motion, seconded by Commissioner Gauthier, to begin work on a property management course now, but to delay development to next year.

Commissioner Gauthier stated that the agreement made with State Reporting is nearing the end of the contract period. She stated that staff is working on developing an in-house solution. Mr. Unangst stated that during the development of the new software system the potential to take over education reporting was built in. He stated that staff has been working on a solution and will begin testing in June to have a system ready before the end of the State Reporting contract period.

3. Legal/Legislative/Timeshare — Commissioner Ritchie asked that Ms. Callaway give the commissioners an update on legislative matters. Ms. Callaway stated that legislative session is operating a little bit differently this year due to COVID-19. She stated that the resolution of most interest to the commission is HCR 71. She stated that this resolution authorizes and directs suspension of licensing fees imposed on businesses by state agencies and licensing boards through the end of the 2021 legislative session. She stated that this resolution would be particularly problematic for the commission because the vague wording is confusing for an agency that licenses both individuals and businesses.

Mr. Unangst stated that the resolution, as written, lacks clear definitions and contains confusing language regarding financial aspects related to this resolution. He stated that he has reached out to the author of the resolution offering to speak with him regarding the resolution.

Mr. Devillier stated that he has spoken with the Executive Directors of several other state licensing boards. He stated that he has heard that the Governor will likely seek a Fiscal Economic Impact Statement to determine which boards will be impacted. Mr. Unangst stated that he and Mr. Devillier will continue to follow up with other boards as well as legislators.

Ms. Callaway pointed out that this is a resolution, not a bill and, therefore, there is no possibility of a veto if this resolution is voted on favorably.

Ms. Callaway stated that the commission should also pay attention to HB 613, which requires boards to issue a license or permit pending normal license to an applicant who is a member of the military or a United States Department of Defense civilian employee, or an applicant who is married to or is a dependent of a member of the military or a United States Department of Defense civilian employee who has been assigned to duty in Louisiana, based on holding a private certification and work experience in another state. She stated that the bill would still require these applicants to take the state portion of the exam. Mr. Unangst stated that from his reading of this bill it would have limited impact on the Commission.

She stated that HB 422 may also be of interest to the commission to keep an eye on, but that it is not currently an issue.

Ms. Callaway stated that the commission should monitor HB 498. She stated that this bill waives initial application fees or exam fees. She stated that as of right now, the wording of the bill would not apply to the commission, but that there could be changes via amendments.

Mr. Devillier stated that Representative Ivey has HB 685, which deals with interagency data sharing. He stated that if this bill were to pass it would result in a slowdown of processing within agencies, which would be detrimental to the public.

Commissioner Richie asked Ms. Callaway to speak on SB 443. She stated that this bill is related to attorneys and does not pertain to real estate and should not be of concern to the commission.

Commissioner Richie stated that he has spoken with representatives from other state boards regarding the outcome of the taskforce on a separate commercial license he recently conducted. He stated that other states were very interested in the outcomes of that taskforce and plan to start discussing this issue in their own states. He stated that he also mentioned that he will be

holding another taskforce on a separate license for property managers and that there was much interest in the outcomes of the meetings. He stated that his discussions show that other states are also grappling with how to handle commercial practitioners and property managers and that he believes that there will be many ideas emerging from other states in the coming months.

- 4. Standardized Forms Commissioner Wolford has stated that the next time that the committee meets there needs to be discussion related to the "same or better condition" portion of the contract as she is hearing reports of more and more lawsuits pertaining to this section.
- 5. Errors & Omissions No report.
- Technology Commissioner Greenup stated that staff is working with NIC Louisiana to continue development of digital forms. He stated that, in addition to the five forms that are already developed, NIC Louisiana is working on nine new forms which should be ready in draft for by May 25.

DIRECTORS REPORT:

Mr. Unangst commended the LREC staff for the work that they have done during the COVID-19 shutdown. He stated that staff has been on top of responding to mail, email, and phone calls. He stated that he has not received any complaints related to staff or office operations. He thanked Ms. Mire for being the glue holding the office together during this trying time.

He stated that the only issue he has heard complaints about has been testing, which are related to the closures of PSI locations. He stated that PSI and Pearson VUE are planning a presentation at the upcoming ARELLO meeting regarding alternate testing options for the future.

PUBLIC COMMENT:

None

UNFINISHED BUSINESS:

None

NEW BUSINESS:

Chairman Roberts stated that the commission will wait until the Governor makes his June 5 proclamation regarding Phase 2 reopening before making a decision on how the next commission meeting will be conducted.

None There being no further business, Commissioner Wolford made motion, seconded by Commissioner Gauthier, to adjourn. Motion passed without opposition.

MATT RITCHIE, SECRETARY

RICK ROBERTS, CHAIRMAN